

STATE OF SOUTH CAROLINA

(Caption of Case)

Application of Network Innovations, Inc for a
Certificate of Public Convenience and Necessity to
Provide Resold Intrastate Interexchange
Telecommunications Services and Alternative
Regulation of its Interexchange Service Offerings

BEFORE THE
PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA

COVER SHEET

DOCKET

NUMBER: 2008 - 462 - C

(Please type or print)

Submitted by: Scott Elliott

Address: 721 Olive Steet

Columbia, SC 29205

SC Bar Number: 1872

Telephone: 803-771-0555

Fax: 803-771-8010

Other:

Email: selliott@elliottlaw.us

NOTE: The cover sheet and information contained herein neither replaces nor supplements the filing and service of pleadings or other papers as required by law. This form is required for use by the Public Service Commission of South Carolina for the purpose of docketing and must be filled out completely.

DOCKETING INFORMATION (Check all that apply)

☐ Emergency Relief demanded in petition ☐ Request for item to be placed on Commission's Agenda expeditiously

☒ Other: Please see Motion seeking confidential treatment of financial information.

INDUSTRY (Check one)	NATURE OF ACTION (Check all that apply)		
<input type="checkbox"/> Electric	<input type="checkbox"/> Affidavit	<input checked="" type="checkbox"/> Letter	<input type="checkbox"/> Request
<input type="checkbox"/> Electric/Gas	<input type="checkbox"/> Agreement	<input type="checkbox"/> Memorandum	<input type="checkbox"/> Request for Certificatio
<input type="checkbox"/> Electric/Telecommunications	<input type="checkbox"/> Answer	<input checked="" type="checkbox"/> Motion	<input type="checkbox"/> Request for Investigator
<input type="checkbox"/> Electric/Water	<input type="checkbox"/> Appellate Review	<input type="checkbox"/> Objection	<input type="checkbox"/> Resale Agreement
<input type="checkbox"/> Electric/Water/Telecom.	<input checked="" type="checkbox"/> Application	<input type="checkbox"/> Petition	<input type="checkbox"/> Resale Amendment
<input type="checkbox"/> Electric/Water/Sewer	<input type="checkbox"/> Brief	<input type="checkbox"/> Petition for Reconsideration	<input type="checkbox"/> Reservation Letter
<input type="checkbox"/> Gas	<input type="checkbox"/> Certificate	<input type="checkbox"/> Petition for Rulemaking	<input type="checkbox"/> Response
<input type="checkbox"/> Railroad	<input type="checkbox"/> Comments	<input type="checkbox"/> Petition for Rule to Show Cause	<input type="checkbox"/> Response to Discovery
<input type="checkbox"/> Sewer	<input type="checkbox"/> Complaint	<input type="checkbox"/> Petition to Intervene	<input type="checkbox"/> Return to Petition
<input checked="" type="checkbox"/> Telecommunications	<input type="checkbox"/> Consent Order	<input type="checkbox"/> Petition to Intervene Out of Time	<input type="checkbox"/> Stipulation
<input type="checkbox"/> Transportation	<input type="checkbox"/> Discovery	<input type="checkbox"/> Prefiled Testimony	<input type="checkbox"/> Subpoena
<input type="checkbox"/> Water	<input type="checkbox"/> Exhibit	<input type="checkbox"/> Promotion	<input checked="" type="checkbox"/> Tariff
<input type="checkbox"/> Water/Sewer	<input type="checkbox"/> Expedited Consideration	<input type="checkbox"/> Proposed Order	<input type="checkbox"/> Other:
<input type="checkbox"/> Administrative Matter	<input type="checkbox"/> Interconnection Agreement	<input type="checkbox"/> Protest	
<input type="checkbox"/> Other:	<input type="checkbox"/> Interconnection Amendment	<input type="checkbox"/> Publisher's Affidavit	
	<input type="checkbox"/> Late-Filed Exhibit	<input type="checkbox"/> Report	

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ORIGINAL

ELLIOTT & ELLIOTT, P.A.
ATTORNEYS AT LAW
721 OLIVE STREET
COLUMBIA, SOUTH CAROLINA 29205
selliott@elliottlaw.us

SCOTT ELLIOTT

TELEPHONE (803) 771-0555
FACSIMILE (803) 771-8010

December 30, 2008

VIA HAND DELIVERY

Charles L. A. Terreni, Esquire
Chief Clerk and Administrator
South Carolina Public Service Commission
101 Executive Center Drive
Columbia, SC 29210

RECEIVED
PUBLIC SERVICE
COMMISSION
COLUMBIA, SC
DEC 31 2008

RE: Application of Network Innovations, Inc. for a Certificate
of Public Convenience and Necessity to Provide Resold Intrastate
Interexchange Telecommunications Services and Alternative
Regulation of its Interexchange Service Offerings

Dear Mr. Terreni:

Enclosed for filing please find an original and fifteen (15) copies of the Application of Network Innovations, Inc., for a Certificate of Public Convenience and Necessity to provide interexchange telecommunications services in South Carolina and for alternative regulatory treatment. We are also filing a Motion for Protective Treatment to file the confidential financial statements, Exhibit C, under seal as a Trade Secret. Copies of the Application and Motion hand delivered to the Commission and mailed to the Office of Regulatory Staff contain Exhibit C filed under seal.

By copy of this letter, I am serving the Office of Regulatory Staff.

I have enclosed an extra copy of this application which I would ask you to date stamp and return to me through my courier. If you have any questions or if I may provide you with any additional information, please do not hesitate to contact me.

Sincerely,

Elliott & Elliott, P.A.


Scott Elliott

SE/mlw
Enclosures

cc: C. Dukes Scott, Esquire w/enc.
Judith A. Riley, Esquire

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**BEFORE THE
PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA**

In the Matter of the Application of Network
Innovations, Inc. for a Certificate of Public
Convenience and Necessity to Provide Resold
Intrastate Interexchange Telecommunications
Services and Alternative Regulation of its
Interexchange Service Offerings

Docket No.

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PUBLIC SERVICE
COMMISSION
DEC 30 2008

**MOTION FOR PROTECTIVE TREATMENT AND
BASIS FOR FILING EXHIBIT C AS TRADE SECRET**

Introduction

Network Innovations, Inc. ("Applicant"), by its attorneys and pursuant to S.C. Code Ann. § 39-8-10, *et seq.*, and all other applicable rules, statutes and regulations, hereby files this Motion for Protective Treatment ("Motion") in the above-captioned proceeding. By this Motion, the Applicant seeks protective treatment by the South Carolina Public Service Commission ("Commission"), of certain commercially-sensitive financial statements attached as *Exhibit C*, filed as Trade Secret to the Application of Network Innovations, Inc. for a Certificate of Public Convenience and Necessity to Provide Resold Intrastate Interexchange Telecommunications Services and Alternative Regulation of its Interexchange Service Offerings ("Application"). Because this Motion is an inseparable part of the Application, it is being filed concurrently therewith.

In support of this Motion, the Applicant provides the following:

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1. The exact legal name, address and telephone number of the Applicant is:

Network Innovations Inc.
1101 West Lake Street
Chicago, IL 60607
Telephone: (888)450-2100
Facsimile: (773)770-0256

2. Correspondence or communications regarding this Motion should be addressed to:

Scott Elliott, Esquire
Elliott & Elliott, P.A.
721 Olive Street
Columbia, SC, 29205
Tel: 803-771-0555
Fax: 803-771-8010
Email: selliott@elliottlaw.us

with a copy to:

Judith A. Riley, Esquire
Regulatory Counsel
5909 N.W. Expressway, Suite 101
Oklahoma City, OK 73132-5103
Tel: 405-755-8177
Fax: 405-755-8377
Email: jriley@telecompliance.net

I. Description of Confidential Information.

3. The Application requires the Applicant to disclose evidence of financial fitness through the submission of documentation of its financial resources and ability to provide the requested service. In conformity with this requirement, the Applicant submits copies of its financial statements. These documents contain highly confidential and strictly proprietary information, the public disclosure of which may result in direct, immediate and substantial harm to the competitive position of the Applicant in South Carolina and elsewhere.

II. Grounds for Claim of Confidentiality.

4. The Applicant is presently immune from a legal obligation to prepare or submit projected financial statements, or any other financial information, to any public entity. As such, the financial statements attached as *Exhibit C* to the Application are not readily available to persons external to Applicant.

5. Because the projected financial statements submitted by the Applicant in support of the Application contain confidential and commercially-sensitive information from which its competitors may derive economic value, the Applicant seeks to protect such material from public disclosure. The Applicant derives independent economic value from the fact that significant, detailed and proprietary information regarding its financial structure and current financing activities is unknown to its competitors. As such, the Company's financial statements are a "trade secret" as that term is used in South Carolina Trade Secrets Act. *S.C. Code Section 39-8-20(5)*. Given this fact, the disclosure of this information could provide existing and potential competitors, including interexchange carriers ("DCCs") in South Carolina, as well as in other states in which the Applicant provides or intends to provide telecommunications service, with an unfair and undeserved competitive advantage.

6. The Applicant clarifies herein that its request for protection applies only to the documents attached as *Exhibit C* to the Application. The Applicant is not seeking protection of any type for those reports the Applicant is required to file with the Office of Regulatory Staff ("ORS") should the relief sought in the Application be granted: the Annual Report Form, Gross Receipts Report, and Universal Service Fund Worksheet.

CONCLUSION

7. The audited financial information included in support of the Applicant's Application, for which Confidential Treatment is sought, is both proprietary and competitively-sensitive. The substantial and direct harm that could be caused to the Applicant as a result of

any disclosure is real and not speculative. Moreover, to date, no other jurisdiction or governmental agency has required the Applicant to make this information available to the public. For all these reasons, the projected financial statements attached as *Exhibit C* to the Application should be protected from public disclosure by the Commission.

WHEREFORE, the Applicant respectfully requests that the South Carolina Public Service Commission grant this Motion for Protective Treatment with respect to the audited financial statements attached as *Exhibit C* to the Application of Network Innovations, Inc., for a Certificate of Public Convenience and Necessity to Provide Resold Intrastate Interexchange Telecommunications Services and Alternative Regulation of its Interexchange Service Offerings filed *under seal* as Confidential in this proceeding.

Dated this 29th day of December, 2009

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Scott Elliott', is written over a horizontal line.

Scott Elliott
ELLIOTT & ELLIOTT, P.A.
721 Olive Street
Columbia, SC 29205
Telephone: (803) 771-0555
selliott@elliottlaw.us

Attorneys for Applicant

**BEFORE THE
PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA**

APPLICATION OF NETWORK INNOVATIONS,
INC. FOR A CERTIFICATE OF PUBLIC CONVENIENCE
AND NECESSITY TO PROVIDE RESOLD INTRASTATE) DOCKET NO.
INTEREXCHANGE TELECOMMUNICATIONS SERVICES
AND ALTERNATIVE REGULATION OF ITS
INTEREXCHANGE SERVICE OFFERINGS

Network Innovations, Inc. (hereinafter "Applicant") pursuant to S.C. Code Ann. §58-9-280(B), as amended, and Section 253 of the Telecommunications Act of 1996, respectfully submits this Application for Authority to Provide Resold Interexchange Telecommunications Service within the State of South Carolina. In addition, Applicant requests that the Commission regulate its Interexchange service offerings as described below in accordance with the principles and procedures established for alternative regulation in Orders No. 95-1734 and 96-55 in Docket No. 95-661-C, and as modified by Order No. 2001-997 in Docket No. 2000-407-C.

The applicant proposes to provide resold interexchange telecommunications services throughout all Counties of the State of South Carolina. The Company will provide no voice services of any kind; no local dialtone, no access to 911, e911, Directory Assistance, or Operator Services. The Company respectfully requests waivers for the requirements made of traditional telephony providers with regard to e911, 911, Directory Assistance, and Operator Services. The company will provide no switched services of any kind.

The Company seeks authority to provide T-1 or better dedicated point-to-point private line service and T-1 or better dedicated internet access for the purpose of providing data services only. These circuits do not interface with the Public Switched Telephone Network (PSTN) or carry voice traffic. These circuits can be used for a multitude of purposes including most often for building secure Wide Area Networks (WAN) for their business only customers. The Company does not propose to offer any residential services. The customers are not assigned telephone numbers.

When a customer orders service from the Company the underlying carrier of least cost for the service area is determined and a service order is placed. The Company has no technical facilities or technicians in South Carolina. All installation is performed as a function of the underlying carrier. The Company has Interconnection Agreements, Wholesale Services Contracts, and/or purchase wholesale services from

South Carolina Application of
Network Innovations, Inc. Page 1

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Wholesale Tariffs on file in the jurisdictions that allow for such provisions. All Interconnection Agreements and Wholesale Agreements will be filed according to the jurisdictions' rules and regulations upon such time as authority is awarded. The carriers the Company will utilize in the State of South Carolina are Qwest, Verizon Business and AT&T. The Company provides services nationwide. The Company has numerous agreements with multiple carriers depending on the geographic location of the underlying carrier's facilities.

In support of this Application, Applicant respectfully states as follows:

1. The name and address of the Applicant are:

Network Innovations, Inc.
1101 West Lake Street
Chicago, IL 60607
Telephone: (888) 450-2100
Facsimile: (773) 770-0256
Email: info@nitelecom.com
Website: <http://www.nitelecom.com>

2. All correspondence, notices, inquiries and other communications regarding this application should be sent to:

Scott Elliott
Elliott & Elliott, PA
721 Olive Street
Columbia, SC 29205
Telephone: 803-771-0555
Facsimile: 803-771-8010
selliott@elliottlaw.us

Copy to:

Judith A. Riley
Regulatory Counsel
5909 N.W. Expressway, Suite 101
Oklahoma City, OK 73132-5103
Telephone: 405-755-8177
Facsimile: 405-755-8377
Email: jriley@telecompliance.net

3. Contact person regarding ongoing operations of the Company is:

Rick Stern, Chief Executive Officer
Network Innovations, Inc.
1101 West Lake Street
Chicago, IL 60607
Telephone: (888) 450-2100
Facsimile: (773) 770-0256
Email: info@nitelecom.com
Website: <http://www.nitelecom.com>

4. Description of Applicant

Applicant is a private corporation that was incorporated in the state of Illinois on October 26, 2001. Certificates of Incorporation and Authority to Transact Business in the State of South Carolina are attached hereto as Exhibit A.

5. Officers and Directors and Legal Counsel

See Exhibit B

6. Customer Service

Applicant understands the importance of effective customer service for its consumers. Applicant has made arrangements for its customers to call the Company at its toll-free customer service number, (888) 450-2100. In addition, Customers may contact the Company in writing at the headquarters address and via e-mail at info@nitelecom.com. The toll-free number will be printed on the customers' monthly billing statements.

7. Financial Ability

Applicant has sufficient financial resources to operate in South Carolina. In support of the Company's financial ability to provide the proposed services, the Applicant offers its financial statements in Exhibit C.

8. Managerial and Technical Ability

Exhibit D contains a brief overview of the managerial experience of Applicant. The Company has the managerial experience in the telecommunications industry that will allow it to be a successful in providing Interexchange and competitive local exchange telecommunications services.

9. Proposed Service Territory

Applicant proposes to offer resold Intrastate Interexchange services throughout the State of South Carolina. Exhibit E contains the proposed interexchange tariff of Applicant.

10. Public Interest and Need

Approval of this application and Applicant's proposed tariffs will serve the public interest and offer several benefits to consumers in South Carolina. First and foremost, Applicant will offer its Customers the ability to have seamless service for intrastate, interstate and international data services.

The granting of Applicant's application is consistent with S.C. Code Ann. §58-9-280(B), as amended by 1996 Act No. 354, and, in that regarding Applicant makes the following representations to the Commission:

- A. Applicant possesses the technical, financial, and managerial resources sufficient to provide the services requested;
- B. Applicant, to the extent it is required to do so by the Commission, will participate in the support of universally available telephone service at affordable rates; and,

11. Waivers and Regulatory Compliance

Applicant requests that the Commission grant it a waiver of those regulatory requirements inapplicable to interexchange providers. Such rules are not appropriate for competitive providers and constitute an economic barrier to entry into the interexchange market.

- A. Applicant requests that it be exempt from any financial recording rules or regulations that require a carrier to maintain its financial records in conformance with the Uniform System of Accounts ("USOA"). As a competitive provider, Applicant currently maintains its books and records in accordance with Generally Accepted Accounting Principles ("GAAP"). GAAP is used extensively by interexchange carriers. Since Applicant utilizes GAAP, the Commission will have a reliable method by which to evaluate Applicant's operations. Therefore, Applicant requests to be exempt from any and all USOA requirements of the Commission.
- B. In addition, Applicant requests a waiver of S.C. Reg. 103-610, and to be allowed to maintain its books and records at its headquarters location at 1101 West Lake Street Chicago, IL 60607. In the event that the Commission finds it necessary to review Applicant's books, this information will be provided upon request to the Commission or Applicant will bear the expense of travel for the Commission staff to examine the books and records located outside of South Carolina.

Applicant reserves the right to seek any regulatory waivers which may be required for Applicant to compete effectively within the states' local exchange and resale market.

12. Alternative Regulation of Business Service Offerings

In Docket No. 95-661-C in response to a Petition for Alternative Regulation by AT&T Communications of the Southern States, the Commission determined that there was sufficient competition in the market for interexchange telecommunication services to justify a relaxation in the manner in which AT&T was regulated. The Commission determined that AT&T was not required to file maximum rates for long distance business service offerings and that its tariffs be presumed valid upon filing, subject to the Commission's right within seven days to institute an investigation of the tariff filing. Applicant submits that as a competitor of AT&T in the market for providing telecommunication services to customers, it should be subject to no regulatory constraints greater than those imposed on AT&T. Applicant requests that its interexchange business services offerings described in its proposed tariff be regulated under this form of relaxed regulation.

This Application demonstrates that Applicant has the technical, financial and managerial resources to provide resold intrastate interexchange service within South Carolina. The granting of this Application will promote the public interest by increasing the level of competition in the telecommunications markets of the state. Competition of this nature will mandate that all interexchange telecommunications providers will operate more efficiently and improve the overall service quality for consumers.

Approval of the Application of Network Innovations Inc. will serve the public interest by offering consumers throughout the State of South Carolina a meaningful quality service option. Approval of this Application will also benefit consumers by creating greater competition in the interexchange marketplace. Competition in the telecommunications marketplace inspires innovation and development of services that meet customer needs cost effectively.

Wherefore, Applicant respectfully petitions this Commission for authority to operate as a reseller of long distance telecommunications services in the State of South Carolina in accordance with this Application for alternative regulation of its long distance business service offerings, and for such other relief as it deems necessary and appropriate.

Elliott & Elliott, PA

By 

Scott Elliott
721 Olive Street
Columbia, SC 29205
Telephone: 803-771-0555
Facsimile: 803-771-8010
E-Mail: selliott@elliottlaw.us
Attorneys for Applicant

Columbia, South Carolina

December 29, 2008

Network Innovations, Inc.

SCHEDULE OF EXHIBITS

Exhibit A	Articles of Incorporation/ Certificate of Authority
Exhibit B	Officers, Directors and Legal Counsel
Exhibit C	Financial Statements
Exhibit D	Resumé of Key Employees
Exhibit E	Proposed Interexchange Tariff (IXC)

Network Innovations, Inc.

EXHIBIT A

South Carolina Certificate of Authority

Illinois Articles of Incorporation

The State of South Carolina



Office of Secretary of State Mark Hammond

Certificate of Authorization

I, Mark Hammond, Secretary of State of South Carolina Hereby certify that:

NETWORK INNOVATIONS, INC.,
a corporation duly organized under the laws of the state of ILLINOIS and issued a certificate of authority to transact business in South Carolina on July 3rd, 2007, has on the date hereof filed all reports due this office, paid all fees, taxes and penalties owed to the Secretary of State, that the Secretary of State has not mailed notice to the Corporation that its authority to transact business in South Carolina is subject to being revoked pursuant to Section 33-15-310 of the 1976 South Carolina Code, and no application for surrender of authority to do business in South Carolina has been filed in this office as of the date hereof.

Given under my Hand and the Great
Seal of the State of South Carolina this
3rd day of July, 2007.

A handwritten signature in cursive script that reads "Mark Hammond".
Mark Hammond, Secretary of State

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2001-11-21 14:23:56

Cook County Recorder 25.50

File Number 6189-078-5



0011098211

State of Illinois
Office of
The Secretary of State

Whereas, ARTICLES OF INCORPORATION OF
NETWORK INNOVATIONS, INC.
INCORPORATED UNDER THE LAWS OF THE STATE OF ILLINOIS HAVE BEEN
FILED IN THE OFFICE OF THE SECRETARY OF STATE AS PROVIDED BY THE
BUSINESS CORPORATION ACT OF ILLINOIS, IN FORCE JULY 1, A.D. 1984.


Now Therefore, I, Jesse White, Secretary of State of the State of Illinois, by virtue of the powers vested in me by law, do hereby issue this certificate and attach hereto a copy of the Application of the aforesaid corporation.

In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, at the City of Springfield, this 26TH day of OCTOBER A.D. 2001 and of the Independence of the United States the two hundred and 26TH



Jesse White

Secretary of State

Form BCA-2.10 (Rev. Jan. 1999)	ARTICLES OF INCORPORATION	
Jesse White Secretary of State Department of Business Services Springfield, IL 62756 http://www.sos.state.il.us	This space for use by Secretary of State Filed 10/26/2001 Jesse White Secretary of State  61890785 CP0645978	SUBMIT IN DUPLICATE! This space for use by Secretary of State Date Filed 10/26/2001 Franchise Tax \$ 25.00 Filing Fee \$ 75.00 Approved: Total 100.00 BE
Payment must be made by certified check, cashier's check, Illinois attorney's check, Illinois C.P.A.'s check or money order, payable to "Secretary of State."		

1. CORPORATE NAME: NETWORK INNOVATIONS, INC. CF

(The corporate name must contain the word "corporation", "company," "incorporated," "limited" or an abbreviation thereof.)

2. Initial Registered Agent: John S. Sawin
First Name Middle Initial Last name

Initial Registered Office: 100 N. LaSalle 1910
Number Street Suite #
Chicago IL Cook 60602
City County Zip Code

3. Purpose or purposes for which the corporation is organized:
(If not sufficient space to cover this point, add one or more sheets of this size.)

44

The transaction of any of all lawful purposes for which corporations may be incorporated under the Illinois Business Corporation Act of 1983.

4. Paragraph 1: Authorized Shares, Issued Shares and Consideration Received.

Class	Par Value per Share	Number of Shares Authorized	Number of Shares Proposed to be Issued	Consideration to be Received Therefor
Common	\$ NPV	10,000	1,000	\$100.00
TOTAL = \$100.00				

Paragraph 2: The preferences, qualifications, limitations, restrictions and special or relative rights in respect of the shares of each class are:
(If not sufficient space to cover this point, add one or more sheets of this size.)

(over)

5. OPTIONAL: (a) Number of directors constituting the initial board of directors of the corporation: _____
 (b) Names and addresses of the persons who are to serve as directors until the first annual meeting of shareholders or until their successors are elected and qualify:
- | Name | Residential Address | City, State, ZIP |
|------|---------------------|------------------|
| | | |
| | | |
| | | |

6. OPTIONAL: (a) It is estimated that the value of all property to be owned by the corporation for the following year wherever located will be: \$ _____
 (b) It is estimated that the value of the property to be located within the State of Illinois during the following year will be: \$ _____
 (c) It is estimated that the gross amount of business that will be transacted by the corporation during the following year will be: \$ _____
 (d) It is estimated that the gross amount of business that will be transacted from places of business in the State of Illinois during the following year will be: \$ _____

7. OPTIONAL: **OTHER PROVISIONS**

Attach a separate sheet of this size for any other provision to be included in the Articles of Incorporation, e.g., authorizing preemptive rights, denying cumulative voting, regulating internal affairs, voting majority requirements, fixing a duration other than perpetual, etc.

8. **NAME(S) & ADDRESS(ES) OF INCORPORATOR(S)**

The undersigned incorporator(s) hereby declare(s), under penalties of perjury, that the statements made in the foregoing Articles of Incorporation are true.

Dated October 4 2001
 (Month & Day) Year

1. ~~Signature and Name~~

~~Signature~~
John S. Sawin
 (Type or Print Name)

2. Signature
 (Type or Print Name)

3. Signature
 (Type or Print Name)

Address

1. 100 N. LaSalle, Suite 1910
Chicago IL 60602
 City/Town State ZIP Code

2. Street
City/Town State ZIP Code

3. Street
City/Town State ZIP Code

(Signatures must be in **BLACK INK** on original document. Carbon copy, photocopy or rubber stamp signatures may only be used on conformed copies.)

NOTE: If a corporation acts as incorporator, the name of the corporation and the state of incorporation shall be shown and the execution shall be by its president or vice president and verified by him, and attested by its secretary or assistant secretary.

FEE SCHEDULE

- The initial franchise tax is assessed at the rate of 15/100 of 1 percent (\$1.50 per \$1,000) on the paid-in capital represented in this state, with a minimum of \$25.
 - The filing fee is \$75.
 - The minimum total due (franchise tax + filing fee) is \$100.
 (Applies when the Consideration to be Received as set forth in Item 4 does not exceed \$16,667)
 - The Department of Business Services in Springfield will provide assistance in calculating the total fees if necessary.
- Illinois Secretary of State Springfield, IL 62756
 Department of Business Services Telephone (217) 782-9522 or 782-9523

C-162.20

Network Innovations, Inc.

EXHIBIT B

Officers, Directors and Legal Counsel, Regulatory Counsel

Officers, Directors and Legal Counsel, Regulatory Counsel

Officer

Rick Stern, Chief Executive Officer
Network Innovations, Inc.
1101 West Lake Street
Chicago, IL 60607
Telephone: (888) 450-2100
Facsimile: (773) 770-0256
Email: info@nitelecom.com
Website: <http://www.nitelecom.com>

Legal Counsel

Scott Elliott
Elliott & Elliott, PA
721 Olive Street
Columbia, SC 29205
Telephone: 803-771-0555
Facsimile: 803-771-8010
selliott@elliottlaw.us

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Judith A. Riley
Regulatory Counsel
5909 N.W. Expressway, Suite 101
Oklahoma City, OK 73132-5103
Telephone: 405-755-8177
Facsimile: 405-755-8377
Email: jriley@telecompliance.net

Network Innovations, Inc.

EXHIBIT D

Résumé of Key Employee

RICK ALAN STERN
625 Orchard Pond Drive
Lake Zurich, IL 60047
312-543-9249

Network Innovations, Inc.

CEO; 2/02 3 – Present

Roles and Responsibilities:

- Executive Management for Network Innovations, Inc.
- Executive level guidance of company Sales and Marketing efforts
- Responsible for guidance of Finance and Accounting department
- Oversee General back office Operations, Customer Service, Network Operations Center
- Planning and Design of Network service and network infrastructure.

Attributes:

- Innovative thinker with broad-based expertise in operations, finance, and business development.
- Proven ability to quickly analyze key business drivers and develop strategies to grow the bottom line.
- High-integrity, energetic leadership known for the ability to envision and create successful outcomes in complex situations.
- Diverse industry and functional expertise, with a tenacious commitment to driving sales, profit, and market-share growth.

Mpower, Inc.

MANAGER AGENT MARKETING; 04/03-11-03

- Responsible for recruiting and managing agents for Chicago area
- Currently manage a base of Master Agents and Agents offering CLEC service to small and mid market accounts.
- Responsible for selling Mpower's first PRI orders in Chicago
- Responsible for selling Mpower's largest single agent order in the country

Network Innovations, Inc. MASTER Agent Program for Universal Access, Inc.
(Independent contractor for UAI.)

DIRECTOR OF SALES; 2/02-04/03

- Ran national sales efforts encompassing IP, Data, and Dedicated Hosting service
- Responsible for the overall domestic United States sales and marketing effort
- Support a nationwide base of sales agents specifically for our wholesale private line offering
- Instrumental in completing customer MSA for a top five telecom provider
- Established an active client base generating between 30-100 quotes per day for private line service requests

Universal Access, Inc.

DIRECTOR, STRATEGIC PROGRAMS; 11/00-2/02

- Responsible for overall sales and account penetration on five C.O.R.E. accounts
- Managed sales efforts for account positioning and penetration on new corporate initiative for National Accounts in the Wholesale segment
- Led and guided team of 5 Account Directors and 10 Account Managers in strategic planning and account strategy
- Played crucial role in securing UAI's first quarter million dollar monthly billing C.O.R.E. account

DIRECTOR, ALTERNATE CHANNELS

- Responsible for the design of the Alternate Channel program including but not limited to: Legal contracts, financial analysis, cost of sale modeling, design of order process flow, engineering & customer support efforts, recruiting & contracting agents / partners, securing new customer accounts

- Directly secured 20 plus new partners committing to over \$24,000,000 in annualized revenues
- Established a base of over 75 active quoting agents averaging over \$2,000,000.00 in quotes on a monthly basis

MCI WorldCom

MANAGER, AGENT MARKETING; 12/95-11/00.

- Responsible for recruiting, managing, maintaining and training over 200 sales Distributors in the Ameritech and US West regions
- Produced over \$3,000,000.00 in new revenues in the year 2000
- Managed an account base of approximately 38 million annually
- Developed Intro to WorldCom marketing kit for new agents
- 2000 Presidents Club Award Winner and #2 Agent Manager at 210%
- 1999 Presidents Club Award Winner and #2 Agent Manager at 208%
- 1998 Presidents Club Award Winner and #1 Agent Manager at 220%
- 1997 Presidents Club Award Winner and #1 Agent Manager at 400%

REGIONAL HOSPITALITY MANAGER; 6/95-12/95

- Promoted to interim Sales Manager of team of 5 National Account Execs.
- Responsible for managing and training over 250 commercial sales representatives in the Operator Services business segment
- Successfully achieved consistent performance over 175%
- Ranked #1 Sales Manager during tenure in position

NATIONAL ACCOUNT EXECUTIVE; 5/94-6/95

- Responsible for Hospitality sales in the Ameritech region
- Managed an account base of over \$2.1 million annually
- Ranked # 1 in Operator services for WORLDCOM in 7/94, 10/94, 3/95

Sprint, Corp.

MAJOR ACCOUNT EXECUTIVE; 8/91-5/94

- Sold and maintained major accounts in Chicago Loop territory
- Managed an account base of approximately \$1 million annually
- Offered a full range of business products including voice and data
- Consistently sold over 125% during tenure with Sprint

Allnet Communications, Inc.

ACCOUNT EXECUTIVE; 7/90-8/91

- Consistently ranked in top 3 sales executives during tenure
- Won Top presenter award for Chicago office
- Sold and maintained commercial accounts in Suburban Chicago
- Sold over 140% of quota during tenure

EDUCATION:

Bachelors of Science; Telecommunications, 1990, University of Florida
Harvard Business School; Executive Education Program 2007

SPECIAL INTERESTS: 1985-Present:

Actively study various martial art styles ranging from Karate 1st Degree Black Belt – Brazilian JiuJitsu – Pencak Silat – Muay Thai boxing (Brown Belt equivalent) – 7 Star Praying Mantis Kung Fu (Red Sash level 3)

Network Innovations, Inc.

EXHIBIT E

Proposed Intrastate Interexchange Tariff

TITLE PAGE
INTEREXCHANGE TELECOMMUNICATIONS SERVICES TARIFF
OF
NETWORK INNOVATIONS, INC.

This tariff contains the descriptions, regulations, and rates applicable to the furnishing of competitive access service for telecommunications services provided by Network Innovations, Inc. within the State of South Carolina. This tariff is on file with the Public Service Commission of South Carolina. Copies may be inspected during normal business hours at the Company's principal place of business at 1101 West Lake Street, Chicago, IL 60607.

Issued: December 12, 2008

Effective: December 23, 2008

By: Network Innovations, Inc.
Rick Stern, CEO
1101 West Lake Street
Chicago, IL 60607

CHECK SHEET

The sheets listed below, which are inclusive of this tariff, are effective as of the date shown at the bottom of the respective sheet(s). Original and revised sheets as named below comprise all changes from the original tariff and are currently in effect as of the date indicated below.

<u>Sheet</u>	<u>Revision</u>
1	Original
2	Original
3	Original
4	Original
5	Original
6	Original
7	Original
8	Original
9	Original
10	Original
11	Original
12	Original
13	Original
14	Original
15	Original
16	Original
17	Original
18	Original
19	Original
20	Original
21	Original
22	Original
23	Original
24	Original
25	Original
26	Original
27	Original
28	Original
29	Original
30	Original
31	Original

* = New/Revised this Issue

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Chicago, IL 60607

SYMBOLS

The following are the only symbols used for the purposes indicated below:

- (C) To signify changed regulation
- (D) To signify discontinued rate or regulation
- (I) To signify an increase
- (M) To signify matter relocated without change
- (N) To signify new rate or regulation
- (R) To signify a reduction
- (T) To signify change in text but not change in rate or regulation
- (Z) To signify a correction

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Chicago, IL 60607

TARIFF FORMAT

- A. **Sheet Numbering** - Page numbers appear in the upper right corner of the sheet. Pages are numbered sequentially. However, new pages are occasionally added to the tariff. When a new page is added between existing pages with whole numbers, a decimal is added. For example, a new page added between pages 34 and 35 would be page 34.1.
- B. **Sheet Revision Numbering** - Revision numbers also appear in the upper right corner of the page. These numbers are used to determine the most current page version on file with the Commission. For example, 4th Revised Page 34 cancels the 3rd Revised Page 34. Consult the check sheet for the page currently in effect.
- C. **Paragraph Numbering Sequence** - There are nine levels of paragraph coding. Each level of coding is subservient to its next higher level:
- 2
 - 2.1
 - 2.1.1
 - 2.1.1.A
 - 2.1.1.A.1
 - 2.1.1.A.1.(a)
 - 2.1.1.A.1.(a).1
 - 2.1.1.A.1.(a).1.(i)
 - 2.1.1.A.1.(a).1.(i).(1)
- D. **Check Sheet** - When a tariff is filed with the Commission, an updated check sheet accompanies the tariff filing. The check sheet lists the tariff pages, with a cross reference to the current revision number. When new sheets are added, the check sheet is changed to reflect the revision. All revisions made in a given filing are designated by an asterisk (*). There will be no other symbols used on this sheet if these are the only changes made. The tariff user should refer to the latest check sheet to find out if a particular page is the most current on file with the Commission.

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SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS

1.1 Definitions

Busy Hour – The two consecutive half hours during which the greatest volume of traffic is handled in the central office.

Call – A completed connection between the Calling and Called parties.

Calling Station – The telephone number from which a Call originates.

Called Station – The telephone number called.

Carrier Customer – A carrier that orders exchange access or retail services from the Company.

Commission – The Public Service Commission of South Carolina.

Company or Carrier – Network Innovations, Inc. unless specifically stated otherwise.

Customer – A person, association, firm, corporation, partnership, governmental agency or other entity, including affiliates or divisions of the Customer, in whose name the telephone number of the Calling Station is registered with the underlying local exchange company. The Customer is responsible for payment of charges to the Company and compliance with all terms and conditions of this tariff.

Digital Signal, Level 1 (“DS1”) – Capable of transmitting data at 1.544 Mbps.

Digital Signal, Level 3 (“DS3”) – Capable of transmitting data at 44.736 Mbps.

Day – The period of time from 8:00 a.m. to (but not including) 5:00 p.m., Monday through Friday, as measured by local time at the location from which the Call is originated.

Disconnect – To render inoperable or to disable circuitry thus preventing outgoing and incoming toll communications service.

Evening – The period of time from 5:00 p.m. to (but not including) 11:00 p.m., Sunday through Friday and any time during a Holiday, as measured by local time at the location from which the Call is originated.

SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS (Cont'd)**1.1 Definitions (Cont'd)**

Individual Case Basis ("ICB") – A determination that the Customer's service requirements can only be satisfied by a complex Customer-Carrier arrangement for which it is difficult or impossible to establish general tariff provisions. ICB rates will be structured to recover the Company's cost of providing service and will be made available to similarly situated customers in a non-discriminatory manner. Terms of the specific ICB contracts will be made available to the Commission staff on a confidential basis upon staff's written request to the Company.

Incomplete – Any Call where voice transmission between the Calling and Called station is not established.

Holiday – For the purposes of this tariff recognized holidays are New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

Message – A completed telephone call by a Customer or User.

Normal Business Hours – The hours of 8:00 a.m. to 5:00 p.m., Monday through Friday, excluding holidays.

Optical Carrier, Level 3 ("OC3") – A SONET channel capable of transmitting data at 155.52 Mbps.

Optical Carrier, Level 12 ("OC12") – A SONET channel capable of transmitting data at 622.08 Mbps.

Optical Carrier, Level 48 ("OC48") – A SONET channel capable of transmitting data at 2.488 Gbps.

Premises – The space occupied by an individual Customer in a building, in adjoining buildings occupied entirely by that Customer, or on contiguous property occupied by the Customer separated only by a public thoroughfare, a railroad right of way, or a natural barrier.

Rate – Money, charge, fee or other recurring assessment billed to Customers for services or equipment.

Terminal Equipment – Telephone instruments, including pay telephone equipment, the common equipment of large and small key and PBX systems and other devices and apparatus, and associated wiring, which are intended to be connected electrically, acoustically, or inductively to the telecommunication system.

SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS (Cont'd)

1.1 Definitions (Cont'd)

User – Customer or any authorized person or entity that utilizes the Company's services.

Weekend – The hours of 8:00 a.m. to 11:00 p.m. on Saturday, and 8:00 a.m. to 5:00 p.m. on Sunday, as measured by local time at the location from which the call is originated.

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SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS (Cont'd)

1.2 Abbreviations

CLEC – Competitive Local Exchange Carrier

CO – Central Office

CPE – Customer Premises Equipment

DS1 – Digital Service, Level 1

DS3 – Digital Service, Level 3

Gbps – Gigabits per second; one thousand million bits per second transmission speed.

ICB – Individual Case Basis

ILEC – Incumbent Local Exchange Carrier

Mbps – One million bits per second data transmission speed

NPA – Numbering Plan Area (Area Code)

OC3 – Optical Carrier, Level 3

OC12 – Optical Carrier, Level 12

OC48 – Optical Carrier, Level 48

PBX – Private Branch Exchange

PIC – Primary or Preferred Interexchange Carrier

POP – Point of Presence

V&H – Vertical and Horizontal Coordinates

SECTION 2 - RULES AND REGULATIONS

2.1 Undertaking of the Company

- 2.1.1 The Company installs, operates and maintains the communications services provided herein in accordance with the terms and conditions set forth in this tariff. When authorized by the Customer, the Company may act as the Customer's agent for ordering access connection facilities provided by other carriers or entities to allow connection of a Customer's location to the Company's network. The Customer shall be responsible for all charges due for such service arrangements.
- 2.1.2 The Company's services are provided on a monthly basis, unless otherwise stated in this tariff. Services are available twenty-four (24) hours per day, seven (7) days per week.
- 2.1.3 The Company's customer service representatives for billing and service inquiries may be reached, toll-free, at 866-892-0915. Customers wishing to communicate with the Company in writing may send correspondence to: 1101 West Lake Street, Chicago, IL 60607.

2.1.4 **SECTION 2 - RULES AND REGULATIONS** (Cont'd)

2.2 Limitations of Service

- 2.2.1 Service is offered subject to the availability of facilities and provisions of this tariff.
- 2.2.2 Service is furnished to the User for any lawful purpose. Service shall not be used for any unlawful purpose, nor used in such a manner as to interfere unreasonably with the use of service by any other Users.
- 2.2.3 The use of the Company's services without payment for service or attempting to avoid payment for service by fraudulent means or devices, false or invalid numbers, or false calling or credit cards is prohibited.
- 2.2.4 The Company's services may be denied for noncompliance with any of the Commission's regulations, or for other violations of the terms and conditions set forth in this tariff.
- 2.2.5 The use of the Company's services to send data transmissions or make telephone calls which might reasonably be expected to frighten, abuse, torment, or harass another is prohibited.
- 2.2.6 Service temporarily may be refused or limited because of system capacity limitations.
- 2.2.7 Service is subject to transmission limitations caused by natural (including atmospheric, geographic or topographic) or artificial conditions adversely affecting transmission.
- 2.2.8 Service to any or all Customers may be temporarily interrupted or curtailed due to equipment modifications, upgrades, relocations, repairs and similar activities necessary for proper or improved operations.
- 2.2.9 The Company reserves the right to discontinue furnishing service where the Customer is using the service in violation of the law or the provisions of this tariff.

SECTION 2 - RULES AND REGULATIONS (Cont'd)

2.3 Limitations of Liability

- 2.3.1 Because the Company has no control of communications content transmitted over its system, and because of the possibility of errors incident to the provision and use of its service, service furnished by the Company is subject to the terms, conditions and limitations herein specified.
- 2.3.2 The Company is not liable to Users for interruptions in service except as set forth in Section 2.5 of this tariff.
- 2.3.3 The liability of the Company for errors in billing that result in overpayment by the Customer shall be limited, unless otherwise ordered by the Commission, to a credit equal to the dollar amount erroneously billed or, in the event that payment has been made and service has been discontinued, to a refund of the amount erroneously billed.
- 2.3.4 The Company shall not be liable for and the User shall indemnify and hold the Company harmless against any claims for loss or damages involving:
 - 2.3.4.A Any act or omission of: (i) the User; or (ii) any other entity furnishing service, equipment or facilities for use in conjunction with services or facilities provided by the Company;
 - 2.3.4.B Interruptions or delays in transmission, or errors or defects in transmission, or failure to transmit when caused by or as a result of acts of God, fire, war, riots, government authorities or causes beyond the Company's control;
 - 2.3.4.C Any unlawful or unauthorized use of the Company's facilities and services;
 - 2.3.4.D Libel, slander or infringement of copyright arising directly or indirectly from content transmitted over facilities provided by the Company;
 - 2.3.4.E Infringement of patents arising from combining apparatus and systems of the User with facilities provided by the Company;

SECTION 2 - RULES AND REGULATIONS (Cont'd)

2.3 Limitations of Liability (Cont'd)

- 2.3.4.F Claims arising out of any act or omission of the User in connection with service provided by the Company.
- 2.3.4.G Breach in the privacy or security of communications transmitted over the Company's facilities;
- 2.3.4.H Changes in any of the facilities, operations or procedures of the Company that: (1) render any equipment, facilities or services provided or utilized by the User obsolete; (2) require modification or alteration of such equipment, facilities or services; or (3) otherwise affect use or performance of such equipment, facilities or services except where reasonable notice is required by the Company and is not provided to the Customer.
- 2.3.4.I Defacement of or damage to the Customer's Premises or personal property resulting from the furnishing of services or equipment on such Premises or the installation or removal thereof.
- 2.3.4.J Any wrongful act of a Company employee where such act is not authorized by the Company and is not within the scope of the employee's responsibilities for the Company;
- 2.3.4.K Any non-completed Calls due to network busy conditions; and
- 2.3.4.L Any Calls not actually attempted to be completed during any period that service is unavailable.
- 2.3.5 The User shall reimburse the Company for all costs, expenses and attorney's fees incurred by the Company in its defense against claims set forth in Section 2.3.4.

SECTION 2 - RULES AND REGULATIONS (Cont'd)

2.3 Limitations of Liability (Cont'd)

- 2.3.6 The Company assumes no responsibility for the availability or performance of any facilities under the control of other entities that are used to provide service to the User, even if the Company has acted as the User's agent in arranging for such facilities or services.
- 2.3.7 Any claim against the Company shall be deemed waived unless presented to the Company within thirty (30) days after the date of the occurrence that gave rise to the claim.
- 2.3.8 The Company makes no express representations or warranties regarding the service and disclaims any implied warranties, including, but not limited to, warranties of title or implied warranties of merchantability or fitness for a particular purpose. The Company does not authorize anyone to make a warranty of any kind on its behalf and the User should not rely on any such statement.
- 2.3.9 Any liability of the Company for loss or damages arising out of mistakes, omissions, interruptions, delays, errors or defects in the service, the transmission of the service, or failures or defects in facilities furnished by the Company, occurring in the course of furnishing service shall in no event exceed an amount equivalent to the proportionate fixed monthly charge to the Customer for service, during the period of time in which such mistakes, omissions, interruptions, delays, errors or defects in the service, its transmission or failure or defect in facilities furnished by the Company occurred, unless the Commission orders otherwise.

SECTION 2 - RULES AND REGULATIONS (Cont'd)

2.4 Responsibilities of the Customer

- 2.4.1 The Customer is responsible for placing any necessary orders, complying with tariff regulations and assuring that Users comply with tariff regulations. The Customer shall ensure compliance with any applicable laws, regulations, orders or other requirements of any governmental entity relating to services provided by the Company to the Customer or made available by the Customer to another User. The Customer also is responsible for the payment of charges for all Calls originated at the Customer's numbers which are not collect, third party, calling card, or credit card calls.
- 2.4.2 The Customer is responsible for charges incurred for special construction and/or special facilities which the Customer requests and which are ordered by the Company on the Customer's behalf.
- 2.4.3 If required for the provisioning of the Company's services, the Customer must provide the Company, free of charge, with any necessary equipment space, supporting structure, conduit and electrical power.
- 2.4.4 The Customer is responsible for arranging access to its Premises at times mutually agreeable to the Company and the Customer when required for Company personnel to install, repair, maintain, program, inspect or remove equipment associated with the provision of the Company's services.
- 2.4.5 The Customer must pay the Company for replacement or repair of damage to the Company's equipment or facilities caused by negligent or improper use on the part of the Customer, Users, or others.
- 2.4.6 The Customer must indemnify the Company for the theft of any Company equipment or facilities installed at the Customer's Premises.

The Customer agrees to release, indemnify and hold harmless the Company against any and all loss, claims, demands, suits or other action or any liability whatsoever, whether suffered, made, instituted or asserted by the Customer or by any other party or person, for any service interruption or loss of or damage to any property, whether owned by the Customer or others. The Customer shall reimburse the Company for all costs, expenses and fees (including reasonable attorneys' fees) incurred by the Company in its defense against such actions.

SECTION 2 - RULES AND REGULATIONS (Cont'd)

2.5 Allowances for Interruptions in Service

2.5.1 General

- 2.5.1.A A service is interrupted when it becomes unusable to the User, *e.g.*, the User is unable to transmit or receive communications due to the failure of a component furnished by the Company under this tariff.
- 2.5.1.B An interruption period begins when the User reports a service, facility or circuit to be inoperative and releases it for testing and repair. An interruption period ends when the service, facility or circuit is operative.
- 2.5.1.C If the User reports a service, facility or circuit to be inoperative but declines to release it for testing and repair, the service, facility or circuit is considered to be impaired but not interrupted. No credit allowances will be made for a service facility or circuit considered by the Company to be impaired.

2.5.2 Application of Credits for Interrupted Services

- 2.5.2.A At the Customer's request, a credit allowance for a continuous interruption of service for more than twenty-four (24) hours will be made in an amount to be determined by the Company on a case-by-case basis.
- 2.5.2.B Any such interruption will be measured from the time it is reported to or detected by the Company, whichever occurs first.
- 2.5.2.C In the event the User is affected by such interruption for a period of less than twenty-four (24) hours, no adjustment will be made. No adjustments will be earned by accumulating non-continuous periods of interruption.

2.5.3 Limitations on Allowances

- 2.5.3.A No credit allowance will be made for any interruption of service:
 - 2.5.3.A.1 due to the negligence of, or noncompliance with the provisions of this tariff by, any person or entity other than the Company, including but not limited to the Customer or other entities or carriers connected to the service of the Company;
 - 2.5.3.A.2 due to the failure of power, equipment, systems or services not provided by the Company;

SECTION 2 - RULES AND REGULATIONS (Cont'd)

2.5 Allowances for Interruptions in Service (Cont'd)

2.5.3. Limitations on Allowances (Cont'd)

2.5.3.A. (Cont'd)

- 2.5.3.A.3 due to circumstances or causes beyond the control of the Company;
- 2.5.3.A.4 during any period in which the Company is not given full and free access to the Customer's or Company's facilities and equipment for the purpose of investigating and correcting the interruption;
- 2.5.3.A.5 during any period in which the User continues to use the service on an impaired basis;
- 2.5.3.A.6 during any period in which the Customer has released service to the Company for maintenance purposes or for implementation of a Customer order for a change in service arrangements;
- 2.5.3.A.7 that occurs or continues due to the Customer's failure to authorize replacement of any element of special construction; and
- 2.5.3.A.8 that was not reported to the Company within thirty (30) days of the date that service was affected.

SECTION 2 - RULES AND REGULATIONS (Cont'd)**2.6 Termination of Service**

2.6.1 A Customer may terminate service, with or without cause, by giving the Company notice. If the Customer has a term contract, early termination charges may apply. The Company may terminate service with ten (10) business days' written notice to the Customer for any of the following occurrences:

- 2.6.1.A Failure of the Customer to pay a non-disputed delinquent account;
- 2.6.1.B Failure of the Customer to make satisfactory arrangements to pay arrearages or meet the requirements of a payment agreement;
- 2.6.1.C Failure of the Customer to permit the Company to have reasonable access to its equipment, facilities, service connections or other property;
- 2.6.1.D Failure of the Customer to provide the Company with adequate assurances that an unauthorized use or practice will cease;
- 2.6.1.E Customer non-compliance with Commission regulations;
- 2.6.1.F Customer fraud or material misrepresentation of identity for purpose of obtaining telephone service
- 2.6.1.G Failure of the Customer to adhere to contractual obligations with the Company.

2.6.2 The Company may terminate service *without written notice* to the Customer for any of the following occurrences:

- 2.6.2.A Customer's maintenance or operation of its equipment in such a manner as to adversely affect the Company's equipment or service to others;
- 2.6.2.B Customer non-compliance with any provision of this tariff which results in threatening the safety of a person or the integrity of the service delivery system of the Company;
- 2.6.2.C Customer tampering with the Company's equipment or service;
- 2.6.2.D Customer's unauthorized or illegal use of the Company's service or equipment.

SECTION 2 - RULES AND REGULATIONS (Cont'd)

2.6 Termination of Service (Cont'd)

- 2.6.3 The Customer is responsible for all charges incurred to the Calling Station regardless of which party terminates the service. The Customer shall reimburse the Company for all costs, expenses and fees (including reasonable attorneys' fees) incurred by the Company in collecting such charges.

SECTION 2 - RULES AND REGULATIONS (Cont'd)

2.7 Payment of Charges

- 2.7.1 The Customer is responsible for payment of all charges for service furnished to the User.
- 2.7.2 The Company reserves the right to assess late payment charges for Customers whose account(s) carries principal owing from the prior billing period. Any charges not paid in full by the due date indicated on the billing statement may be subject to a late fee of 1.5% per month. This late fee of 1.5% may not include previously-accrued late payment charges.
- 2.7.3 Recurring monthly charges may be invoiced one month in advance. Invoicing cycles are approximately thirty (30) days in length. A Customer's bill will be due and payable twenty (20) days from the date of the postmark on the bill.

2.8 Deposits

- 2.8.1 The Company may require a Customer to make a deposit to be held as a guarantee for payment of charges. The Company's credit and deposit policies will be equitable and non-discriminatory throughout its service area without regard to the economic character of the area or any part thereof. The Company will inform the Customer, in writing, of the reasons for the deposit request and the process by which service can be received without posting a deposit. The deposit shall not exceed an amount equal to two-twelfths of the estimated charge for this service for the ensuing twelve months.
- 2.8.2 Upon discontinuance of service, the Company shall promptly and automatically refund the Customer's deposit plus accrued interest, or the balance, if any, in excess of the unpaid bills, including any penalties assessed for service furnished by the Company.
- 2.8.3 Interest on deposits will accrue at the rate of 6% per annum or the rate of the average of 1-year US Treasury bill for the months of September, October and November of the previous year.
- 2.8.4 The Company shall annually and automatically refund the deposits of customers who have paid bills for twelve consecutive months without having had service discontinued for nonpayment, or had more than one occasion on which a bill was not paid within the prescribed period and are not delinquent in payment.
- 2.8.5 If a Customer's service or facility is discontinued, deposits will be returned in accordance with Commission regulations.

SECTION 2 - RULES AND REGULATIONS (Cont'd)

2.9 Advance Payments

The Company may require advance payments from Customers for the following services:

- (1) The construction of facilities and furnishing of special equipment; or
- (2) Temporary Service for short-term use.

2.10 Contested Charges

All bills are presumed accurate, and shall be binding on the Customer unless objection is received either orally or in writing before actual suspension or termination of service. Suspension or Termination is prohibited until resolution of the dispute. In the event that a billing dispute between the Customer and the Company for service furnished to the Customer cannot be settled with mutual satisfaction, the Customer may take the following course of action:

- 2.10.1 First, the Customer may request, and the Company will provide, an in-depth review of the disputed amount. The undisputed portion and subsequent bills must be paid on a timely basis or the service may be subject to disconnection.

Second, if there is still a disagreement about the disputed amount after investigation and review by the Company, the Customer, within ten days of the notification or mailing of the Company's written summary of the findings or resolution of the dispute, an informal complaint may be filed with the Public Service Commission of South Carolina, 101 Executive Center Drive, Suite 100, Columbia, South Carolina 29210, telephone (803) 896-5100 in accordance with the Commission rules of procedure. The Public Service Commission of South Carolina shall have primary jurisdiction over customer complaints.

2.11 Taxes

State and local sales, use and similar taxes, including gross receipts taxes, are billed as separate items and are not included in the quoted rates for local exchange telecommunications service.

SECTION 3 - DESCRIPTION OF SERVICE

3.1 Timing of Calls

- 3.1.1 The Customer's monthly usage charges for the Company service are based upon the total number of minutes the Customer uses and the service options to which the Customer subscribes. Chargeable time begins at the time a connection is established and ends when either party terminates the connection.
- 3.1.2 No charges apply if a connection is not established.
- 3.1.3 For billing purposes, all Calls are rounded up to the nearest minute and billed in increments of one minute. The minimum call duration is one (1) minute for a connected call.
- 3.1.4 Where applicable, charges will be rounded up to the nearest penny.
- 3.1.5 Usage begins when a connection is established (*i.e.* when two-way communication is possible). A Call is terminated when the calling or called party terminates the connection. Any Call for which the duration exceeds sixty (60) seconds shall be presumed to have been answered and becomes billed usage.

SECTION 3 - DESCRIPTION OF SERVICE (Cont'd)**3.2 Start of Billing**

For billing purposes, the start of service is the day following acceptance by the Customer of the Company's service or equipment, or another date mutually agreed-upon by the Customer and the Company. The end of service date is the last day of the minimum notification of cancellation or any portion of the last day, after receipt by the Company of notification of cancellation as described in Section 2 of this tariff.

3.3 Calculation of Distance

3.3.1 Where applicable, usage charges for all mileage sensitive products are based on the airline distance between rate centers associated with the originating and terminating points of the call.

3.3.2 Where applicable, the airline mileage between rate centers is determined by applying the formula below to the vertical and horizontal coordinates associated with the rate centers involved. The Company uses the rate centers that are produced by Bell Communications Research in their NPA-NXX V&H Coordinates Tape and Bell's NECA Tariff No. 4.

3.3.2.A The airline distance between any two (2) rate centers is determined as follows:

3.3.2.B Obtain the "V" (vertical) and "H" (horizontal) coordinates for each Rate Center from the above-referenced document.

3.3.2.B.1 Compute the difference between the "V" coordinates of the two (2) rate centers; and the difference between the two (2) "H" coordinates ($X1 - X2 = V$; $Y1 - Y2 = H$).

3.3.2.B.2 Square each difference obtained in Section 3.3.2.B.1 above (V^2 ; H^2).

3.3.2.B.3 Add the square of the "V" difference and the square of the "H" difference obtained in Section 3.3.2.B.2 above ($V^2 + H^2 = S$).

SECTION 3 - DESCRIPTION OF SERVICE (Cont'd)

3.3 Calculation of Distance (Cont'd)

3.3.2 (Cont'd)

3.3.2.B. (Cont'd)

3.3.2.B.4 Divide the sum of the squares by 10 ($S/10 = M$).

3.3.2.B.5 Obtain the square root of the whole number result obtained above. Round to the next higher whole number if any fraction is obtained. This is the airline mileage.

3.4 Minimum Call Completion Rate

The Customer can expect a Call completion rate of at least ninety percent (90%) of all Calls attempted, within three (3) seconds of the attempt, during peak use periods for all Feature Group D (1+) services. The Company will engineer its switching systems on the basis that at least ninety percent (90%) of the Customers accessing their system will be served during the Busy Hour.

SECTION 3 - DESCRIPTION OF SERVICE (Cont'd)

3.5 Service Offerings

The Company offers data telecommunications and leased line services. The Customer's total use of the Company's service is charged at the applicable rates set forth herein, in addition to any monthly service charges. None of the service offerings are time-of-day sensitive.

For leased line telecommunications services, the Company offers rates on a "month to month" basis, and on a term agreement contract basis. Rates are based on a number of factors, including Customer commitment to a volume of service for a fixed term of months.

The following services are available from the Company, where technically and economically feasible:

3.5.1 Leased Line Service

A leased line is a private, dedicated point-to-point connection between a Company POP and another point on the Company's fiber-optic network specified by the Customer. Leased Line service is provided to Customers on a nationwide basis with transmission speeds of either DS1 (1.544 Mbps), DS3 (44.736 Mbps), OC3 (155.52 Mbps), OC12 (622.08 Mbps) and OC48 (2,488.32 Mbps). A local access line may be necessary to connect the Customer network or premise with the Company POP. This local access line may be provided to the Customer by the Customer's local exchange carrier.

SECTION 3 - DESCRIPTION OF SERVICE (Cont'd)

3.6 Miscellaneous Services

3.6.1 Order Change

An Order Change is a change in the Customer's service requested subsequent to installation.

3.6.2 Bad Check Charge

If payment for Service is made by a check, draft, or similar instrument (collectively "Check") that is returned to the Company unpaid by a bank or another financial institution for any reason, the Company will bill the Customer a returned check charge. In addition, the Customer may be required to replace the returned Check with a payment in cash or equivalent to cash, such as cashier's check, certified check or money order.

3.6.3 Reconnection

Reconnection charges occur where service to an existing Customer has been discontinued for proper cause, and the Customer desires to resume service with the Company. Where a Customer desires reconnection, the Customer will be charged a fee to cover the cost to the Company of restoring service to the Customer.

3.7 Promotions

The Company may make promotional offerings of its tariffed services which may include reducing or waiving applicable charges for the promoted service. No individual promotional offering will exceed six months in duration, and any promotional offering will be extended on a non-discriminatory basis to any customer similarly classified who requests the specific offer. At the Company's option, a letter outlining the promotion may be filed with the Commission Staff in lieu of filing language in the tariff.

SECTION 3 - DESCRIPTION OF SERVICE (Cont'd)

3.8 Individual Case Basis Arrangements ("ICB")

A determination that the Customer's service requirements can only be satisfied by a complex Customer-Carrier arrangement for which it is difficult or impossible to establish general tariff provisions. ICB rates will be structured to recover the Company's cost of providing service and will be made available to similarly situated customers in a non-discriminatory manner. Terms of the specific ICB contracts will be made available to the Commission staff on a confidential basis upon staff's written request to the Company.

SECTION 4 - RATES AND CHARGES**4.1 Service Offerings****4.1.1 Leased Line Service – Base Rates for Recurring Charges**

<u>Transmission Speed</u>	<u>Term of Contract in Months</u>			
	12	18	24	36
DS1	\$699.00	\$649.00	\$599.00	\$549.00

Note: The foregoing rates are per circuit, per month. Contracts over 36 months will be priced ICB.

Issued: December 12, 2008**Effective: December 23, 2008**

By: Network Innovations, Inc.
Rick Stern, CEO
1101 West Lake Street
Chicago, IL 60607

SECTION 4 - RATES AND CHARGES (Cont'd)**4.1 Service Offerings (Cont'd)****4.1.2 Leased Line Service – Volume Discount Percentages by Contract Term**

<u>Volume</u>	<u>Term of Contract in Months</u>			
	12	18	24	36
\$1,000.00	5%	7%	9%	11%
\$2,000.00	7%	9%	11%	13%
\$3,000.00	9%	11%	13%	15%
\$4,000.00	11%	13%	15%	17%
\$5,000.00	13%	15%	17%	19%
\$6,000.00	15%	17%	19%	21%
\$7,000.00	17%	19%	21%	23%
\$8,000.00	19%	21%	23%	25%
\$9,000.00	21%	23%	25%	27%
\$10,000.00	23%	25%	27%	29%

Note: All Volume Discounts are applied when the End User reaches the specified level. Volume amounts over the next lower increment will be rounded down to that lower increment. Volume discounts are based on the gross monthly cost of service and are applied to the base rate per circuit, per month.

Example: End User orders 8 DS1 circuits on a 36 month contract.

Base Rate per DS1 for a 36 Mo. Contract = \$549.00

Multiplied by 8 circuits, Gross Monthly Cost = \$4392.00

Volume Discount to apply at the \$4,000.00 level = 17%

Net Monthly Cost after discounts = \$3645.36 or \$455.67 per DS-1

SECTION 4 - RATES AND CHARGES (Cont'd)

4.2 Installation Charges

DS1 IP

	NRC
Within 5 Miles of POP	\$250
Within 25 Miles of POP	\$250
Within 50 Miles of POP	\$250

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Chicago, IL 60607

SECTION 4 - RATES AND CHARGES (Cont'd)

4.3	<u>Miscellaneous Services</u>	
3.8.1	<u>Order Change</u>	
	Per Change:	\$600.00
3.8.2	<u>Bad Check Charge</u>	
	Per Check:	\$25.00
3.8.3	<u>Reconnection</u>	
	Per Reconnection:	\$600.00
3.10.4	<u>Monthly Billing Fee</u>	\$8.00
3.10.5	<u>NOC Service Fee</u>	
	Per Hour	\$75.00
3.10.6	<u>Move Order</u>	\$600.00
3.10.7	<u>Early Termination Fee</u>	\$3,600.00
3.10.8	<u>Expedite Fee</u>	\$2,250.00
3.9	<u>Maintenance Visit Charges</u>	
	Mon-Sat, 8 am-5 pm:	
	Initial 15 minutes or fraction thereof	\$45.00
	Each additional 15 minutes	\$10.00
	Sun and Mon-Sat, excluding 8 am-5 pm:	
	Initial 15 min. or fraction thereof	\$55.00
	Each additional 15 minutes or fraction thereof	\$15.00
	Holidays:	
	Initial 15 minutes or fraction thereof	\$55.00
	Each additional 15 min. or fraction thereof	\$15.00

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Chicago, IL 60607

CERTIFICATE OF SERVICE

The undersigned employee of Elliott & Elliott, P.A. does hereby certify that she has served below listed parties with a copy of the pleading(s) indicated below by mailing a copy of same to them in the United States mail, by regular mail, with sufficient postage affixed thereto and return address clearly marked on the date indicated below:

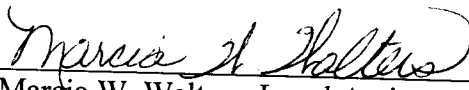
RE: Application of Network Innovations, Inc. for a Certificate of Public Convenience and Necessity to Provide Resold Intrastate Interexchange Telecommunication Services and Alternative Regulation of its Interexchange Service Offerings

DOCKET NO.:

PARTIES SERVED: C. Dukes Scott, Esquire
Office of Regulatory Staff
PO Box 11263
Columbia, SC 29211

PLEADING: APPLICATION AND MOTION

December 30, 2008



Marcia W. Walters, Legal Assistant